

Community resources

[Follow us on Twitter](#) [Check our Reddit](#) [Twitter this](#) [Digg this page](#) [Contact us on IRC](#)

courage is contagious

Viewing cable 10ASTANA251, KAZAKHSTAN: SCENESETTER FOR CENTCOM COMMANDER

If you are new to these pages, please read an introduction on the [structure of a cable](#) as well as how to [discuss them](#) with others. See also the [FAQs](#)

Understanding cables

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables ([browse by origin](#) to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this [WikiSource](#) article as reference.

Discussing cables

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at the paragraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g. **#10ASTANA251**.

Reference ID	Created	Released	Classification	Origin
10ASTANA251	2010-02-22 07:03	2011-08-30 01:44	SECRET	Embassy Astana

Appears in these articles:

[www.spiegel.de](#)

VZCZCXRO9377
RR RUEHBI RUEHCI RUEHDBU RUEHFL RUEHKW RUEHLA RUEHLH RUEHNEH RUEHNP
RUEHPW RUEHROV RUEHSL
DE RUEHTA #0251/01 0530703
ZNY SSSSS ZZH
R 220703Z FEB 10
FM AMEMBASSY ASTANA
TO RUEHC/SECSTATE WASHDC 7507
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE 2506
RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 1852
RUEHUL/AMEMBASSY SEOUL 1468
RUEHKO/AMEMBASSY TOKYO 2558
RHMFISS/CDR USCENTCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC
RHMFISS/DEPT OF ENERGY WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RHEFAAA/DIA WASHDC
RHEHNSC/NSC WASHDC 2049
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHDC 1897

<<249839>>

2/22/2010 7:03

10ASTANA251

Embassy Astana
SECRET

VZCZCXRO9377
RR RUEHBI RUEHCI RUEHDBU RUEHFL RUEHKW RUEHLA RUEHLH RUEHNEH RUEHNP
RUEHPW RUEHROV RUEHSL
DE RUEHTA #0251/01 0530703
ZNY SSSSS ZZH
R 220703Z FEB 10
FM AMEMBASSY ASTANA
TO RUEHC/SECSTATE WASHDC 7507
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE 2506
RUEHZL/EUROPEAN POLITICAL COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 1852
RUEHUL/AMEMBASSY SEOUL 1468
RUEHKO/AMEMBASSY TOKYO 2558
RHMFISS/CDR USCENTCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC
RHMFISS/DEPT OF ENERGY WASHINGTON DC
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RHEFAAA/DIA WASHDC
RHEHNSC/NSC WASHDC 2049
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHDC 1897
TAGS: [PGOV](#) [PREL](#) [ECON](#) [EPET](#) [PINR](#) [MARR](#) [SNAR](#) [KZ](#)
SUBJECT: KAZAKHSTAN: SCENESETTER FOR CENTCOM COMMANDER

S e c r e t section 01 of 14 astana 000251

Sipdis

State for sca/cen, s/srap

E.o. 12958: decl: 03/06/2059

Tags: pgov, prel, econ, epet, pinr, marr, snar, kz

Subject: kazakhstan: scenesetter for centcom commander
general petraeus

Classified By: Ambassador Richard E. Hoagland, 1.4 (b), (d)

11. (SBU) General Petraeus, on behalf of Ambassador Hoagland, and the Department of Defense and Embassy Astana country teams, we extend a warm welcome on the occasion of your upcoming visit to Astana, Kazakhstan.

Visit overview

12. (S) The Office of the Defense Attache and your staff are working toward finalizing your visit itinerary. You are scheduled to arrive in Astana the evening of March 9, and are scheduled to depart the morning of March 10. This visit will further strengthen an already strong bilateral relationship in support of our strategic interests. On March 10, we are working to schedule meetings with the President, Minister of Defense, Minister of Foreign Affairs, and the National Security Council.

Domestic political perspective

13. (C) While the Government of Kazakhstan articulates a strategic vision of a democratic society, it has lagged on the implementation front. The leadership remains resistant to competitive political processes, and the situation is complicated by the fact that President Nazarbayev is extraordinarily popular, while the opposition is weak, fractured, and comprised principally of former Nazarbayev loyalists who fell out of favor. In May 2007, significant amendments were adopted to Kazakhstan's constitution which were touted as strengthening parliament, but also removed terms limits on Nazarbayev. In parliamentary elections held in August 2007, Nazarbayev's Nur Otan party officially received 88 percent of the vote and took all the seats in parliament, which OSCE observers concluded did not meet OSCE standards. On a positive note, President Nazarbayev has

taken positive steps that could facilitate a transition to a more democratic system in the long term. His Bolashak program provides scholarships for several thousand Kazakhstanis to receive higher education abroad, mostly in the West, where they absorb Western ideas and values. Additionally, Nazarbayev has brought into government service a new generation of young, ambitious bureaucrats) many of whom studied in the West through Bolashak or U.S. Government-sponsored programs.

¶4. (C) When Kazakhstan was selected as 2010 OSCE chairman at the November 2007 OSCE Madrid OSCE Ministerial meeting, Foreign Minister Tazhin publicly committed that his government would amend Kazakhstan,s election, political party, and media laws in accordance with OSCE and Office of Democratic Institutions and Human Rights (ODIHR) recommendations. (NOTE: Tazhin also promised that as OSCE chairman, Kazakhstan would support the OSCE's "human dimension" and preserve ODIHR,s mandate. END NOTE). The amendments were finally signed into law in February 2009. While key civil society leaders were disappointed that the new legislation did not go further, we consider them to be steps in the right direction, and will continue pressing for further reforms. While Kazakhstan prides itself on its religious tolerance, parliament passed legislation in late 2008 which would have restricted the religious freedom of minority religious groups not traditional to Kazakhstan. Rather than sign the legislation, President Nazarbayev sent it for review to the Constitutional Council (Court), which ultimately declared the legislation to be unconstitutional. On July 10, Nazarbayev signed into law Internet legislation that provides a legal basis for the government to shut down and block websites whose content allegedly violates the country,s laws. This appears to be a step in the wrong direction at a time when the Kazakhstan,s record on democracy and human rights is in the spotlight because of its impending OSCE chairmanship. The legislation likely originated from the government,s desire to be able to

Astana 00000251 002 of 014

readily block access to web postings from Rakhat Aliyev, Nazarbayev,s ex-son-in-law, who, from his self-imposed exile in Austria, has put embarrassing materials and articles about Nazarbayev on various Internet sites. We have expressed our disappointment that the legislation was enacted, and have urged the government to implement it in a manner consistent with Kazakhstan,s OSCE commitments on freedom of speech and freedom of the press.

International political perspective

¶5. (C) President Nazarbayev carefully balances Kazakhstan,s relations with Russia, China, the United States and the EU) what is termed a &multi-vector8 foreign policy. The Kazakhstanis consider Russia their most important international partner, and Russia,s influence is unparalleled in Kazakhstan due to long historical ties, Kazakhstan,s large ethnic Russian population, and the predominance here of the Russian language) which means most Kazakhstanis obtain their news from Russian,s broadcast and print media. Kazakhstan,s close relationship with the United States serves as an essential counterweight, reinforcing Kazakhstan,s sovereignty and independence and helping it stave off pressure from both its giant neighbors) Russia to the north and China to the east. For the Kazakhstanis, high-level interactions with the United States are not only substantively important, but also symbolically important, sending a signal to Moscow that we remain closely engaged despite Moscow,s assertion that Central Asia is its &privileged sphere of influence.8

Economic perspective

¶6. (C) Kazakhstan is the region's economic powerhouse, with an economy larger than that of all the other Central Asian states combined. Economic growth averaged over 9% a year

during 2005-07, before dropping to 3% in 2008 with the onset of the global financial crisis. The contracted by about 2% in 2009, but positive growth is again expected in 2010. While the country's economic success is partly due to its fortuitous natural resource deposits, astute macroeconomic policies and extensive economic reforms have also played an important role. Kazakhstan has a modern banking and financial system, a well-endowed pension fund, and a transparent sovereign wealth fund with approximately \$20 billion in assets. The government has taken aggressive steps to tackle the domestic reverberations of the world economic crisis, allocating \$21 billion to take equity stakes in private banks, prop up the construction and real-estate sectors, and support small- and medium-sized enterprises and agriculture. Kazakhstan's long-run economic challenge is to diversify its economy away from reliance on the energy sector. In 2008, we launched a bilateral Private-Private Economic Partnership Initiative (PPEPI), which brings together the U.S. and Kazakhstani public and private sectors to make policy recommendations on improving the country's business climate and reducing other barriers to non-energy investment. On a less promising note, the Kazakhstanis announced in June that they would suspend their bilateral negotiations to accede to the World Trade Organization (WTO) and on January 1, Kazakhstan joined a customs union with Russia and Belarus. We have informed Kazakhstan that there is, in fact, no mechanism allowing a customs union to accede to the WTO without its member states doing so individually.

17. (C) U.S. and Kazakhstani strategic interests are largely aligned on the development of Kazakhstan's vast energy resources. Both sides agree that U.S. and other Western companies must continue playing a lead role in Kazakhstan's energy exploration and production projects, and that diversification of transport routes will bolster Kazakhstan's sovereignty and enable it to capture the maximum benefits of its energy and wealth. Kazakhstan produced 88 million tons of oil in 2009 (approximately 1.5

Astana 00000251 003 of 014

million barrels per day), and is expected to become one of the world's top ten crude exporters soon after 2015. While the country also has significant gas reserves (1.5 trillion cubic meters is a low-end estimate), current gas exports are very limited for now, in part because gas is being reinjected to maximize crude output. U.S. companies (ExxonMobil, Chevron, and ConocoPhillips) have significant ownership stakes in Kazakhstan's three major hydrocarbon projects, including Kashagan, the world's largest oil field discovery since Alaska's North Slope. In June 2009, ConocoPhillips signed a contract to explore and develop the offshore N Block, estimated to contain 2.13 billion recoverable barrels of oil. China has recently increased its investment in Kazakhstan's energy sector, and through the state-owned China National Petroleum Corporation (CNPC) now controls approximately 20% of Kazakhstan's total oil production.

18. (C) With major crude production increases on the horizon, Kazakhstan must develop additional transport routes to bring its crude to market. Currently, most of Kazakhstan's crude is exported via Russia, though some exports flow east to China, west across the Caspian through Azerbaijan, and south across the Caspian to Iran. We are focused on helping the Kazakhstanis implement the Kazakhstan-Caspian Transportation System (KCTS), which envisions a &virtual pipeline8 of tankers transporting large volumes of crude from Kazakhstan's Caspian coast to Baku, from where it will flow onward to market through Georgia, including through the Baku-Tbilisi-Ceyhan (BTC) pipeline. While a trans-Caspian crude pipeline might be a cheaper long-term transport option, the Kazakhstanis maintain that an agreement on Caspian delimitation among the five Caspian littoral states is a prerequisite, politically if not legally, for moving forward on the construction of such a pipeline.

19. (SBU) One issue that is certain to be at the center of

discussion for years to come is water management. Reviving the northern portion of the Aral Sea, which Kazakhstan controls, has been a resounding success. A greater priority is ensuring continued access to water for public and agricultural use. As most of Kazakhstan's rivers have headwaters outside of the country, Kazakhstan remains somewhat vulnerable to developments in upstream countries. For the moment this is not a problem as glacial melt has made up the distance in quantity versus demand. But the long-term issue is that Kazakhstan is drawing against a bank account that cannot be easily replenished. Anecdotally we have been told that the Ishim River (the river that flows through Astana has its headwaters in China) has decreased by one meter over the past few years due to increased upstream use in China. In addition to securing an adequate quantity of water, Kazakhstan also remains concerned about water quality. There is also concern that Lake Balkash, the 16th largest lake in the world, might be endangered by China's up-stream water usage.

Regional influence and support

¶10. (SBU) Kazakhstan has also expressed its eagerness to play an enhanced role in achieving regional integration. President Nazarbayev continues to raise the subject of a Central Asian union with a common market. Kazakhstan is already a significant economic force in the region) it is the largest foreign investor in Kyrgyzstan and in Georgia, for example. While progress has been slow, the Kazakhstanis are continuing to seek opportunities for investment in Afghanistan.

Csto and sco

¶11. (C) Kazakhstan's involvement in the Russian-led Collective Security Treaty Organization (CSTO) is a natural extension of its historical relationship with Russia, as well as its current Commonwealth of Independent States (CIS)

Astana 00000251 004 of 014

involvement and mutual security ties with Former Soviet Union (FSU) nations. Its membership in the Shanghai Cooperation Organization (SCO) provides a means to balance its foreign policy and not show favoritism unless absolutely necessary. CSTO participation penetrates the political, economic and military spheres, but actual contributions to the CSTO appear to be more political than substantive. The CSTO mechanism provides a means for Kazakhstan to stay connected to Russia on issues of mutual concern (air defense, counter-terrorism, etc...), but without the danger of getting too close. At the CSTO's 2008 summit in Moscow, the Government of Russia pressured the CSTO partners to recognize South Ossetian and Abkhazian independence and to make strong statements about Georgia's responsibility for the current conflict, however, Kazakhstan and the other CSTO members did not cede to Russian pressure. With regard to the SCO, Kazakhstan was surprised at the vehemence of Russia and China in insisting upon an anti-U.S. in Central Asia statement in the 2006 summit joint statement. Kazakhstan remains "proud" of the fact that they prevented a similar clause from appearing again. SCO activity remains minimal in Kazakhstan with the government remaining leery of its eastern neighbor.

Military/defense perspective

Ministry of defense

¶12. (S) Minister of Defense: Kazakhstan's former Ambassador to Russia, Adilbek Dzhaksybekov, was appointed as the new Defense Minister on 24 June 2009. All indications appear that Minister Dzhaksybekov is a pragmatist and supports cooperation with a variety of nations that is in the best interests of the Ministry of Defense and the modernization and transformation of the Kazakhstan Armed Forces.

¶13. (S) Chief of Defense: First Deputy Minister General Mukhtar Altynbayev, previously Minister of Defense, thrice removed, continues to serve as Kazakhstan's Chief of Defense. Relatively inconsequential as the Chief of Defense and generally a neutral party who has neither a positive nor negative impact on our bilateral relationship, he is reported to oppose the deployment of forces to Afghanistan.

¶14. (S) Component Commanders: The Ground Forces Chief, General-Lieutenant Saken Zhasuzakov; Air Forces Chief, General-Major Alexandr Sorokin; and Chief of Naval Forces, Captain Zhandarbek Zhanzakov. Generally, the Component Commanders have so far proven to be inconsequential, as they remain relatively uninvolved in the sphere of U.S.-Kazakhstan security cooperation) this is because the majority of our security cooperation does not impact forces under the component commanders, direct control.

¶15. (S) Unequal Partnership: The MOD remains an under-funded ministry that has no policy-making authority. The simple fact is that the U.S. DOD-KZ MOD relationship is not one of equals. DOD has significant policy input in the USG, while the MOD appears to have almost none. In short, the KZ MOD is a supporting ministry, taking its direction from higher levels within the government. The U.S. has, on a number of occasions, successfully achieved its bilateral and regional goals by appealing to those closer to the center of power and using them to provide the MOD with marching orders.

Military operations/support

Iraq

¶16. (SBU) Kazakhstan directly supported coalition efforts in Iraq from August 2003 through October 2008, most significantly by deploying a military engineering/explosive ordnance disposal (EOD) unit which cumulatively disposed of over 5 million pieces of unexploded ordnance. With the

Astana 00000251 005 of 014

reorganization of the coalition in Iraq, Kazakhstan completed its tenth rotation and redeployed its forces in their entirety in late October 2008.

Afghanistan

¶17. (S) The USG continues to solicit support for increased participation in international operations, and it appears that Kazakhstan may, in the near-term, deploy four to six staff officers to support ISAF HQ in Afghanistan, however, internal political discussions are ongoing and a decision has yet to be made. Of great concern to the Government is public opinion, which in general is opposed to a deployment to Afghanistan primarily because of misconceptions fostered by the Kazakh experience in Afghanistan during the 1980s Soviet occupation. Supporters of a deployment to Afghanistan within the Ministry of Defense look to increase Kazakhstan's ISAF coalition contributions over time, specifically the future deployment of military medical personnel and EOD/Engineer assets, very possibly in support of the Afghan Engineer School located in Mazar-e-Sharif. These supporters consist primarily of the pro-western faction within the Ministry of Defense, xxxxxxxxxxxx, and understand the value of conducting real-world operations in terms of building political capital and capitalizing on deploying and training the force. Additionally, in 2008 the Government of Kazakhstan provided almost \$3 million to Afghanistan primarily for infrastructure improvement and development, and is looking to provide additional funding. During a November 22 visit to Kabul, State Secretary-Foreign Minister Kanat Saudabayev unveiled an assistance package, which included a proposal to provide free university education in Kazakhstan for up to 1,000 Afghan students over the period from 2010-2018. The government has also offered to provide training to Afghan law enforcement officers at law enforcement training institutes in Kazakhstan. The

Kazakhstanis hope to make Afghanistan a focus of their 2010 OSCE chairmanship.

Issues influencing expansion of kazakhstan's support for afghanistan

Overflight expansion

¶18. (S) In November 2009 we requested the expansion of the overflight agreement to include two North-South polar routes to/from Russia through Kazakhstan and eventually to Afghanistan via Diplomatic Note. This request has been unofficially declined and stated that a new agreement must be negotiated then ratified by parliament prior to entry into force. This process could take well over a year from negotiation to ratification, as exemplified by the German transit agreement which was negotiated from 2004-2007, signed in 2007, then ratified in 2008. This current impasse may very be the result of several influencing factors. It appears the Kazakhs are unhappy with being approached by the USG requesting additional air corridors after the USG negotiated an air transit agreement with Russia. The Kazakhs have told us in the past that they do not appreciate being treated like the little brother to Russia, and that the USG needs to notify the Government of Kazakhstan in good faith at the same time as discussions are ongoing with Russia. It is our belief the Government of Kazakhstan has been unwilling to approve additional overflight corridors as an addendum to our current overflight agreement via Diplomatic Note exchange because the USG negotiated with Russia prior to consulting with Kazakhstan. Further exacerbating this issue is likely the press coverage emphasizing the significance of Russia assisting U.S. efforts in Afghanistan, when the Kazakhs have been quietly doing so since 2001. The Kazakhs also likely consider the U.S. request as a fait accompli) something that further aggravates the government.

Transit of m-atvs and other wheeled vehicles

Astana 00000251 006 of 014

¶19. (S) In October 2009 we requested the authorization to ship military and civilian wheeled vehicles to include MRAPs and M-ATVS along the NDN via Diplomatic Note. This request has also been unofficially declined and is likely tied to the issues outlined in this section of the scenesetter as well as the following. Information indicates that the National Security Committee (KNB) does not support the transit of M-ATVS or lethal cargo) the excuse we have been given is that it exposes the Kazakhs to potential terrorist reprisals for supporting lethal cargo transit. This appears to be the top cover for declining the U.S. request and frankly a flimsy excuse given that the Germany-Kazakhstan air and ground bilateral transit agreement for lethal and non-lethal goods was ratified by the Kazakhstan Parliament in 2008. How does this not expose Kazakhstan to the same risks?

Local procurement

¶20. (S) The Government of Kazakhstan has become extremely frustrated at the perceived lack of U.S. forward movement to date in local procurement in over 13 months since the NDN informal agreement was approved by President Nazarbayev in December 2008. Local procurement provides the U.S. the opportunity to strengthen our strategic partnership and to capitalize on providing domestically-produced items for U.S. forces in Afghanistan. Opportunities abound for promoting the benefits associated with supporting the U.S. goals and specifically the NDN, while offering the cost-savings associated with the procurement of locally-produced products that meet and/or exceed our requirements. Local procurement was a major selling point for the Kazakhs, however, since the Government of Kazakhstan considers little to have so far been accomplished in this respect, it is likely that this is also a factor retarding the positive movement forward on securing an agreement for the transshipment of M-ATVs as well as the

expansion of OEF overflight corridors. Additionally, the disparate nature of our logistics system is making this a challenging enterprise) the responsibility for procuring various classes of supplies is dispersed amongst different government organizations. Although GSA and DLA have stepped up to the plate and are beginning to capitalize on local procurement opportunities, it would be in our best interests to coordinate all procurement efforts to maximize our effectiveness and efficiency to support this extremely important mission.

Logistics hub/transit center offer

¶21. (S) In March 2008 President Nazarbayev extended an offer of a logistics hub/transit center in Kazakhstan to the U.S. Ambassador to Kazakhstan. Since then the Government of Kazakhstan has been asking for a written request from the USG outlining our requirements. A written USG request is considered by the Kazakhs as the starting point for determining exactly what level of logistic hub/transit center the Kazakhs would possibly be willing to support. We have yet to submit a request or to officially take this offer off the table, and are periodically asked about our response to the offer. It appears to the Government of Kazakhstan that we are ignoring their offer, thereby, further aggravating the issues outlined in this section of the scenesetter.

Cooperation with uzbekistan

¶22. (S) The Government of Kazakhstan has stated with concern that our cooperation with Uzbekistan has increased while our cooperation with Kazakhstan, in their view, remains stagnant or is decreasing. The government has also indicated its frustration and lack of understanding why this would be the case since Kazakhstan has been and continues to be a reliable partner, both now and into the future. Whether or not this is the case, perception is reality, and the examples that are routinely mentioned are that Kazakhstan has been the first

Astana 00000251 007 of 014

Central Asian nation to authorize cost-free unlimited and unfettered overflights in support of OEF (2001), as well as an expansion to this agreement an opening of additional air corridors (2005); the first Central Asian nation to authorize aircraft diverts into Almaty airport in the event of an emergency; the first and only Central Asian nation to deploy forces to Iraq in support of OIF (2003-2008); the first Central Asian nation to authorize the shipment of non-lethal goods along the NDN (Dec 2008), little more than one month following General McNabb,s visit and official request; and the first Central Asian nation, and most likely the only, that will deploy forces into Afghanistan in support of ISAF sometime this year (most likely by June 2010).

Overflight agreement

¶23. (SBU) In support of OEF, the Government of Kazakhstan has granted more than 9,000 cost-free overflights since the agreement,s entry into force in 2001 and eventual parliamentary ratification in December 2008) this equates to an annual average of over 1000 U.S. military and DOD charter aircraft overflights per year. This agreement does not differentiate between types of cargo, allowing it to be used for the transport of lethal goods.

Emergency divert agreement

¶24. (SBU) In 2002, an emergency divert agreement with the Kazakhstan entered into force that allows aircraft bound for Manas the option of landing at Almaty or Astana International Airports in case of bad weather or emergency) in excess of 85 diverts have been supported under this agreement. In every case Kazakhstan has exceeded the expectations of the original agreement, however one of the limiting factors under the provisions of this agreement is the restriction which does not allow disembarkation of troops from the diverted

aircraft. U.S. forces traveling on deployment orders usually do not have passports or visas and, therefore, cannot legally enter the country to stay at a hotel or be transported by alternate ground means to Manas. Should the Kazakhstani Government allow U.S. forces entry into Kazakhstan, USDAO has no mechanism in place to fund costs associated with transportation or lodging. Since the agreement,s entry into force, the USDAO has relocated from Almaty over 600 miles north to Astana and cannot react quickly to support incoming diverted aircraft.

Northern distribution network (ndn)

¶25. (SBU) As you are aware, President Nazarbayev approved the use of Kazakhstan,s commercial transport infrastructure to support the U.S. NDN for resupplying our forces in Afghanistan on 30 December 2008.

¶26. (C) As background to previous non-U.S. transit agreements, NATO has been limited to one option) the transport of non-lethal supplies through Russia, Kazakhstan and Uzbekistan) and finally secured a written agreement to resupply forces in Afghanistan in late January 2010. Of note is that the Government of Kazakhstan was extremely unhappy that NATO sought permission of its big brother, to the north before opening discussions with the Kazakhstanis) the government indicated negotiations should have occurred in parallel rather than in serial. The German Government negotiated an official government-to-government agreement with Kazakhstan for the ground and air transit of both lethal and non-lethal supplies destined for Afghanistan, which took 3 years to negotiate (2004-2007) and one year for parliamentary ratification before the agreement entered into force in 2008) a four year process. The Germans have yet to execute the transit of lethal goods via ground means, something we will monitor in the event the U.S. decides to expand its current agreement to include the transit of lethal supplies.

Astana 00000251 008 of 014

¶27. (S) Additionally, it continues to be in our best interests to use all available transit routes, to include Russia. Should we purposely choose to bypass Russia, then it is likely that Russia would pressure the Government of Kazakhstan to not allow supplies to transit Kazakhstan. It is our strong belief that including Russia as part of the NDN is a win-win situation and provides the U.S. an alternate route to resupply our forces in Afghanistan, however, we must remain aware that Russia could attempt to manipulate and gain exclusive control of the flow of supplies across its territory by undermining our efforts to expand our options with other nations.

Aviation fuel

¶28. (C) Since Kazakhstan has a limited refining capability, it imports most of its aviation fuel from Russia. Some of this fuel is in turn sold to Manas Transit Center, Kyrgyzstan. In this way, Russia indirectly provides fuel for Manas Transit Center and OEF operations.

¶29. (SBU) In response to the Georgian-Russian conflict, Kazakhstan provided 165 tons of humanitarian aid to the Government of Georgia consisting of food, medicine and medical equipment worth approximately \$460K. The Kazakhstani government has also made strong statements in support of UN resolutions sanctioning Iran and North Korea.

Non-proliferation issues

¶30. (SBU) Kazakhstan sees itself as a strong partner in non-proliferation. Non-proliferation has been a cornerstone of the bilateral relationship since Kazakhstan's independence. With the collapse of the Soviet Union, Kazakhstan was left with the world's fourth largest nuclear

arsenal. Nazarbayev's 1991 decision to give up Kazakhstan's nuclear arsenal was groundbreaking. Kazakhstan returned all tactical nuclear warheads to Russia by January 1992, and all strategic nuclear warheads by April 1995. Through the Nunn-Lugar Cooperative Threat Reduction (CTR) Program the U.S. assisted Kazakhstan with the destruction of bombers, silos, and related ICBM infrastructure and delivery systems.

¶31. (S) While the U.S.-Kazakhstan non-proliferation relationship seems to be solid on the surface, at working levels, the U.S. and Kazakhstani governments have encountered continuous implementation issues. The Umbrella Agreement amendment governing the CTR program, signed in December 2007, was finally ratified on 2 June 2009. Ratification is the first step to provide Kazakhstan with a legal basis to establish a mechanism to implement value added tax (VAT) and duty exemptions for imported equipment and services contracts through the CTR program. Taxation issues have festered unresolved since 2004, leading to frustration at high levels in Washington, both in the Executive and Legislative branches. There has, however, been a renewed commitment at the senior levels of the Government of Kazakhstan to resolve the taxation issues, yet we await the commitment to translate into reality.

¶32. (S) Of all of the projects funded by the CTR appropriation, the most critical is a classified project to secure weapons-grade materials at the former Soviet nuclear weapons test site in Semipalatinsk. The project is tri-lateral, between Russia, Kazakhstan, and the United States, with the Russians providing the necessary data regarding material location and the United States providing funding to repatriate the material to Russia or secure it in situ. In addition to securing the materials at the site, DOD is pressing the Government of Kazakhstan to increase its security presence at the site (Ministry of Internal Affairs Special Troops), and has provided ground sensor and UAV technology that is used to assist Kazakhstan monitor the site

Astana 00000251 009 of 014

for trespassers.

¶33. (SBU) In addition to the classified trilateral project in Semipalatinsk, the Department of Defense is currently implementing the Biological Threat Reduction Program, which supports Kazakhstan's efforts to combat bioterrorism and prevent the proliferation of biological weapons technology, pathogens and expertise by strengthening its outbreak response and monitoring capabilities.

¶34. (SBU) The Department of Energy also has several projects that are focused on securing nuclear materials, including a major project to decommission and store spent fuel from Kazakhstan's BN-350 fast breeder reactor. Currently, OSD (NCB) has offered assistance in the form security and consequence management seminars, a table top exercise and of a field exercise to test the readiness incident response forces and Ministry of Internal Affairs Special Troops, which provides security escort for fuel shipments between Aktau (where the reactor is located) and the Semipalatinsk Test Site, where the fuel will be kept in long-term storage. The Special Troops also have a rapid response force at the storage site. The Government of Kazakhstan is considering the offered exercise assistance.

¶35. (SBU) The Department of State funds additional nonproliferation projects implemented by the International Science and Technology Center (ISTC). State also takes a leading role in the Global Initiative to Combat Nuclear Weapons Terrorism, in which Kazakhstan participates.

Security assistance and engagement overview

¶36. (S) We harbor no illusions to the contrary) Russia is and will remain Kazakhstan's number one security partner. Kazakhstan MoD will partner with the U.S. to modernize, but

we will need your help in rebuilding trust in the US Security Assistance (SA) apparatus. We have the long-term goal of transforming the Kazakhstan Armed Forces into a deployable force which not only can adequately protect national sovereignty, but also becomes an agent of democratic reform and rule of law within Kazakhstan. We have identified three areas where U.S.-Kazakh interests overlap: Defense Reform (both doctrine and equipment), security of the ungoverned spaces of the Caspian Sea Basin and Southern Kazakhstan, and the development of a deployable Peace Support Operations (PSO) capability to support multilateral UN-sanctioned operations. We have seen progress over the past few years, but lack of fiscal commitment, especially in the Huey II helicopter program, continues to undermine U.S. credibility, resulting in Kazakhstan's lack of enthusiasm to commit national funds to modernization and transformation. We continue to work with OSD, CENTCOM, DSCA and the Military Services Security Assistance Commands to overcome these obstacles and to develop and execute solutions to the myriad of problems on the Huey II. The bottom line is that the United States, credibility and reliability are at stake with regard to our SA endeavors.

Hmmwvs

¶37. (SBU) Kazakhstan HMMWV fleet currently includes 114 vehicles (45 up-armored vehicles, the rest being primarily unarmored or ambulances). KAZBRIG uses the HMMWVs for training peacekeepers and is expected to deploy with them as part of a future PSO. MOD has made a commitment to the sustainment of the HMMWVs through the development of the &Asia HMMWV Center⁸ and a Unit Maintenance facility at KAZBRIG. The initial success of the HMMWV program in Kazakhstan led to the MOD requesting eight Huey II helicopters (highly modified UH-1Hs) through the FMF program.

Huey ii helicopters

Astana 00000251 010 of 014

¶38. (SBU) This program failed to meet the original goal of achieving full operational capability with an eight-aircraft unit by 2010, primarily due to underfunding. Movement forward will require over \$55M in funding and more deliberate attention from U.S. Army Security Assistance Command responsible for the program. The U.S. delivered the first two of eight Excess Defense Article (EDA) Huey IIs in November 2007, and an agreement for a third has been signed lat this year due to Kazakhstan's FMF funding being decreased while refurbishment costs continue to rise. Currently, at over \$8M per aircraft for refurbishment and delivery alone, plus the additional resources needed for associated support equipment and training, Kazakhstan needs over \$55M to provide the remaining five aircraft. In addition to the funding issue, the Huey II operational readiness rates have hovered at zero since in July 2008 due to shortages of ground maintenance equipment, adequate spare parts and publications. A prime example of the issues at hand - when the Huey II s required routine 150 flight hour service, the initial parts package did not include all needed parts for the service, but did include over \$160K in non-required or non-Huey II parts. As a short-term fix, we are working with the Kazakhstani MOD and U.S. Army case managers to coordinate contractor maintenance oversight and provide the parts and equipment necessary to complete these basic periodic inspections, while concurrently staffing U.S.-required airworthiness release to allow U.S. maintainers and pilots to train MOD personnel onboard their aircraft. We are working to find alternative means to fund the Huey II program including an FY09 1206 proposal which was disapproved within DOD and a recent CENTCOM initiated supplemental funding request which is currently making its way through the DOD pipeline. CENTCOM and US Embassy staffs have developed a supplemental funding request for \$60 million to complete the Kazakhstan Huey-II helicopter program. This request is

currently stalled at OSD due to OSD Comptroller non-concurrence. The delivery of the two helicopters was a major news item in Kazakhstan that reached the attention of President Nazarbayev - the death of this program will surely reach him as well. Additionally, should we prove unreliable then there exists little reason for Kazakhstan to commit national funds for the procurement/refurbishment of C130s) the third pillar of the HMMWV- Huey II -C130 triad.

¶39. (C) The reduction in funding combined with an unreliable and unresponsive SA system damage U.S. reliability and credibility, as well as the credibility of pro-U.S./Western allies within the MOD. The anti-U.S./pro-Russian faction within MOD will use this to undercut our supporters within the government) and do not require an active role but passively point to the unreliability of the U.S. as a security partner. xxxxxxxxxxxx in order to show the skeptics that the U.S. is a credible and reliable partner, U.S./Western technology is superior and Kazakhstan,s soldiers can be trained to use and sustain U.S./Western equipment.

Defense transportation system (dts)

¶40. (SBU) FMS and 1206 equipment and spare parts shipments are routinely delayed due to shortfalls or inaccuracies in transport documentation. Lack of documentation from shippers has contributed not only to significant delays in equipment delivery, but has cost the Kazakhstani MOD over \$50K in unprogrammed impound storage fees in the last 18 months. Kazakhstan does not have its own freight forwarder, and is solely reliant on FMF-funded DTS for equipment delivery) the negative impact on our credibility is further exacerbated when we cannot deliver U.S. equipment using our own transportation system in an efficient and timely manner. We still encourage Kazakhstan to hire a freight forwarder, but

Astana 00000251 011 of 014

even if it did so, we are required to use DTS for U.S. equipment delivered under some special programs like 1206) so a fix to DTS is still essential. We are working with DSCA, TRANSCOM and the military services, security assistance organizations to address these systemic shortfalls.

C-130s

¶41. (SBU) The Ministry of Defense requested six EDA C-130s in 2006, but Congress only recently released EDA C-130s. The C-130s could provide a valuable capstone for our bilateral security cooperation, should we be able to overcome systemic shortcomings. xxxxxxxxxxxx USAF (Jun 09) and USN (Dec 09) provided the Kazakh MOD with Pricing and Availability (P&A) data for the procurement/refurbishment of six EDA C-130. Current estimates for this program are between \$210 and \$265M) purchase will require the commitment of Kazakh national funds, since this far exceeds available or anticipated FMF. While the Ministry of Defense indicated national funds are available in 2011, it must soon refine its request to start long lead processes such as congressional notification, spare parts procurement, and the scheduling of training. This may allow the U.S. system the opportunity to meet the MOD requested initial operational capability date of 2013. Kazakhstan currently has a C- rating under the Interagency Country Risk Assessment methodology, which does not allow DOD to schedule a payment plan with Kazakhstan. The Department of Treasury and the Department of State have expressed opposition to an improvement in the rating, for reasons related to risk in the financial sector.

Military-to-military (m2m) cooperation

¶42. (SBU) The CENTCOM M2M contact plan has grown to 145 events in FY09 (this figure does not include FMF, IMET, Peacekeeping or 1206 projects), and we expect to conduct approximately 130 events in FY10. Despite the slight decrease in quantity, there has also been a significant

increase in the quality of events) the subject matter is increasingly complex and comprehensive, and event preparations are more professionally planned, coordinated and executed. Kazakhstan has asked for U.S. assistance through M2M activities in a number of key areas that stand to have a long-term impact on the modernization and transformation of their military, to include the development of national military doctrine, curriculum and faculty development for their Professional Military Education (PME) institutions, and interoperability through acquisition of equipment and TTP implementation.

Kazbrig evolution

¶43. (C) xxxxxxxxxxxx Originally, plans were to have most of KAZBRIG professionally-manned, equipped, and trained by the end of 2009, however, little to no progress in the sphere of professionalization has occurred with KAZBRIG since late 2003) the same time that KAZBRIG became a priority focus of U.S. Security Cooperation efforts. Obstacles KAZBRIG must overcome include a variety of manning, equipping and training obstacles, but by far the most serious obstacle is the lack of professionalization. Professionalization is the only means for KAZBRIG to become a fully mission capable and deployable peace-keeping force. The Kazakhs committed to accomplishing this objective by 2010, as well as obtaining NATO level-2 certification. The Kazakhs, however, have continued to slide these objectives to

Astana 00000251 012 of 014

the right, with the endstate and intermediate steps to reaching an endstate remaining undefined. Professionalization has simply not occurred, and with 70 percent of the force still being conscripted, KAZBRIG continues to remain non-deployable and non-mission capable) by Kazakhstan law conscripts cannot deploy outside of Kazakhstan. This non-deployable non-mission capable status will continue until there is a serious commitment on behalf of the Kazakhstan MOD and Government to professionalize. The limited professionalization of KAZBRIG resembles a shotgun pattern, spread throughout the officer and NCO cadre in 1st and 2nd Battalions and KAZBRIG HQ. In light of a shifting target and the Kazakhstan MOD demand for U.S. assistance, the U.S. has remained committed and continues to train and equip KAZBRIG for a deployment that remains undefined and unobtainable in current circumstances. One battalion is currently manned, albeit at a 70 percent conscript rate, and trained for PSO, with the 2d Battalion continuing to undergo transformation, and conversion of KAZBRIG's third combat battalion being indefinitely postponed. A result of the predominance of conscripts, with losses caused by draftees demobilizing annually at the rate of 70 percent, as well as the loss of NCOs/officers disillusioned by the lack of a meaningful deployment and substandard pay and benefits. KAZBRIG officers tend to attribute recruitment and retention problems to this lack of deployment. The NATO evaluation from the 2008 Steppe Eagle exercise, a U.S./UK/KZ exercise, indicated the one operational battalion of KAZBRIG is NATO interoperable with limitations. MOD conducted an internal evaluation of 2d Battalion during Steppe Eagle 2009, and plans to conduct another assessment of 2d Battalion and KAZBRIG staff during Steppe Eagle 2010) deferring further NATO interoperability and capabilities assessments of two battalions and the Brigade staff until 2011-2012.

¶44. (S) Recent information indicates the UK MOD is seriously considering the termination of all security assistance with Kazakhstan due to the lack of progress with KAZBRIG. It also appears that the UK MOD will most likely provide the Kazakhstan MOD with the ultimatum of professionalizing KAZBRIG according to a strict timeline with the requirement of deploying and sustaining a platoon-size element as part of ISAF within the RC-South area to conduct base security/force protection operations. It also appears that if the Kazakhs do not commit to this request that all security cooperation will cease. Additionally, the UK would like our support for

establishing strict professionalization and deployment requirements and timeline, otherwise the concern is that the Kazakhs will ignore the UK request and continue to rely on U.S. Security Cooperation to bridge the gap should the UK terminate its support.

Kazbrig deployment

¶45. (C) The Steppe Eagle exercise and NATO evaluation were critical to a potential deployment announcement for the KAZBRIG. A successful evaluation of the KAZBRIG is a necessary, but not sufficient condition for a deployment announcement. Given that the only deployable unit of KAZBRIG is a single battalion, then to sustain operations over the long-term the largest deployable unit is a company-size element inherent to the 3:1 deploy-reset-train force generation model. The past deployment of a platoon-size element in support of OIF did not meet the 3:1 ratio, however, future plans to deploy up to a company-size element match current capacity. Since Kazakhstani law allows only professional soldiers to participate in international operations, and since currently only KAZBRIG officer and NCO cadre are professional, MOD must also commit to full KAZBRIG professionalization to provide a deployable unit. Lack of a professionalized unit also undercuts effectiveness of combined exercises and training) over 70 percent of KAZBRIG personnel participating in Steppe Eagle 2009 were conscripts who will be demobilized prior to Steppe Eagle 2010. Our

Astana 00000251 013 of 014

general belief, following a deployment announcement, is that manning problems would evaporate, training focus and assistance would increase, and KAZBRIG would be ready to conduct basic peace support operations in a low to medium threat environment under the command of a lead nation.

Caspian response force development

¶46. (S) The FY 2008 1206 train and equip program has focused on the development of a KAZ MOD special operations force (SOF) element to respond to threats to critical energy infrastructure and other vital sites in the Caspian region. Equipment delivered includes four 7-meter rigid-hull inflatable assault boats, and pending shipments include open- and closed-circuit SCUBA equipment, HMMWVs, and additional support items. 1206-funded contract basic SCUBA training was completed in Jul 09, and SOCCENT and the US Navy conducted Counter-NarcoTerrorism Training 2009 to assist KAZ SOF in building effective capabilities for maritime operations. While most equipment has not yet been delivered, KAZ SOF units have undergone several resubordinations and reorganizations in the interim) our relationship with KAZ SOF is still evolving. We are maintaining planned current activities, but monitoring this relationship to ensure it remains focused in line with agreed bilateral goals.

Civilian-to-military (c2m) cooperation

¶47. (U) The CENTCOM C2M contact plan has also seen great growth over the past two years, primarily due to the interest of the Minister of Emergency Situations (MES), Valdimir Bozhko. Minister Bozhko has shown a personal interest in working with U.S. Agencies. The C2M programs are mainly conducted by the U.S. Army Corps of Engineers (USACE), Arizona National Guard (AZNG), and local Arizona emergency response agencies via the National Guard Bureau (NGB) State Partnership Program. MES interest was highlighted by a visit to Arizona and Washington, DC by the MES Minister, Vladimir Bozhko, in July 2008 to discuss the C2M program and set the stage for future C2M cooperation. Minister Bozhko was engaged and extremely pleased with his visit, and clearly outlined the areas he would like assistance from Arizona and the Corps of Engineers. The FY09 cooperation plan with MES marked a sizable expansion in the number and type of engagement activities with MES. This included exchange visits in Arizona and Kazakhstan of firefighting and 911

operations. Additionally, the USACE laid the ground work for future training workshops for MES, and already held a Regional Geographical Information Systems (GIS) Workshop in Astana, Water and Levee Management Workshop in the U.S., as well as an MES visit to Washington DC to discuss future engagements in the areas of industrial safety, including oil spills, GIS and others. Our FY10 cooperation plan envisages a continuation of FY09 engagement, as well as an MES Senior Representatives visit to AZNG and USNORTHCOM. Minister Bozhko has currently expressed particular interest in the interagency and local/state/federal coordination process within the National Response Framework and the National Incident Management System. Unfortunately, the NGB State Partnership Program was only allocated \$2.2M for C2M programs in FY09 to distribute amongst 48 states with programs in 63 countries. Arizona received a relatively sizable \$200K of available funds, but will only be able to execute 3 of the 11 planned events with MES in FY10. OMC has asked the AZNG for additional NGB funding for C2M programs.

Counter-narcotics (cn) programs

¶48. (S) In November 2007 OMC added the new position of CN Program Coordinator. This expansion highlighted the growth of CENTCOM CN programs in Kazakhstan in cooperation with the Kazakh Border Guard Service (BGS). Since that time OMC has worked closely within the Country Team, particularly INL and EXBS, on CN and border security exchange, training, and

Astana 00000251 014 of 014

equipment programs aimed at helping Kazakhstan secure its borders. CENTCOM funding has delivered night-vision and avionics upgrades for three Mi-8MT helicopters (\$7.9M), five Sabre 4000 hand held detectors for use at border check points (\$500K), and 10 UAZ 4x4 vehicles for the BGS quick response forces (\$500K). OMC is currently working with the BGS on a ground-surveillance radar (GSR) program. FY09 CENTCOM funding is projected at \$10M and is scheduled for upgrading one additional Mi-8MT, additional GSRs, mobile checkpoint shelters, and remote sensor systems. The CN programs also include training programs such as checkpoint inspection training. Finally, the CN exchange program has facilitated solid events such as visits to the USCG training center and the U.S.-Mexico border. These exchanges have fostered a closer relationship with the BGS and a greater interest in working with the U.S. The BGS is organized under Kazakhstan's Intelligence Service, the Committee for State Security (KNB), an unreformed former Soviet intelligence service with close ties to the FSB and suspicious of U.S. interaction. The KNB has recently asserted itself as oversight for our cooperation with the BGS and begun to severely limit the scope and participation in engagement activities. In coordination with INL, OMC is starting to develop cooperative training, equipment and construction programs with the interagency Counternarcotics Committee, under the Ministry for Internal Affairs, and the Customs Committee, under the Finance Ministry.

Final words

¶49. (SBU) In conclusion, we are very much looking forward to your upcoming visit. The entire Embassy team looks forward to providing you with a rewarding and productive visit with a valuable strategic partner who is vital to our national strategic interests. We remain ready to answer any of your questions.
Hoagland